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ROADSIDE APPLE MARKETING IN ILLINOIS

Roadside marketing is receiving considerable attention from the Illinois Fruit Exchange, Centralia, Ill. A number of growers have reported such excellent results from selling their apples at the roadside that the exchange proposes to make a study of this method of selling the fruit direct to the consumer. Some growers who had placed their Jonathan apples in local cold storage are withdrawing them and taking them back to the farms to sell from their fruit stands.

Honesty in grading and reasonable prices are considered important factors in the success of the plan. The exchange is asking for information and hopes to have some definite recommendations to make in the near future.

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OREGON GROWERS COOPERATE FOR LONG PERIOD

About eight hundred fruit growers make up the membership of the Apple Growers' Association, Hood River, Oregon, which handles from 70 to 80 per cent of the fruit produced in the Hood River Valley. The growers in this valley have been organized for 33 years. The first organization was the Strawberry Growers' Union, formed in 1892 and later absorbed by the Hood River Apple Growers' Union, which, in turn, was absorbed by the present organization in 1913. Some of the present members were members of the original strawberry union. The Diamond Brands have been used for more than twenty years in selling fruit, and have been registered trade-marks since 1913. It is stated that Diamond Brand fruit can be found in most foreign countries and in the islands of the sea as well as in the United States. The association has "regularly sold to the trade in Great Britain."

Newtowns and Spitzenbergs are the main varieties of apples produced, but several other varieties are grown in some quantity. The association also ships strawberries, cherries, raspberries, blackberries and pears. "There is no month of the year when the association does not have fruit on the markets of the world."

Real estate and buildings owned by the association are valued at \$750,000. Supplies are purchased for members and their harvesting operations are financed largely by the association.

COOPERATIVE SALES AGENCY MARKETS CANADIAN TURNIPS

By using a national cooperative sales agency the Ontario Turnip Growers' Cooperative, Ltd., has succeeded in placing Ontario turnips in 46 carlot markets in 19 states. Among the markets supplied were Boston, Mass.; Jacksonville, Fla.; Waco, Tex.; and Waterloo, Iowa.

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"BIG Y" APPLES NEARLY ALL PACKED

The largest apple pack in the history of the association, is reported by the Yakima Fruit Growers' Association, Yakima, Wash. While the crop was smaller than that of 1924, the increased membership of the association has resulted in the larger tonnage. Packing will be practically completed by the first of December. Apples are moving rapidly eastward.

By means of advertising, the "Big Y" brand is becoming established in a number of small cities which are considered more satisfactory markets than the big cities with considerable competition. This plan was first tried out last year in Phoenix, Ariz., and is being continued this year in San Angelo and Brownwood, Texas. The advertising includes newspaper space and display material in dealers' stores.

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PLANS FOR HANDLING MICHIGAN BEANS

The condition of the 1925 Michigan bean crop was considered at a meeting in Lansing, on November 2, of the Agricultural Economic Committee, a body representing various agricultural interests of the state. Prospects of an increase in the crop and a possible demoralization of the market, led to a call for the conference.

As a means of stabilizing prices there has been incorporated the Michigan Bean Storage and Marketing Association. Contracts have been made with a number of elevators whereby growers can deliver beans to the elevators for storage and receive storage certificates. Arrangements have been made for a cash advance of about 50 per cent of the value of the beans, if desired. The certificates are transferable and can be used for collateral for advances. The beans will be fully insured and it is planned to sell them at such times as not to break the market. It is stated that "This plan is complementary to holding beans at home until a satisfactory price prevails" while it also provides an outlet for those who desire to realize on their beans. It is further stated that "Working arrangements are being made along similar lines with the bean growers of New York, Idaho and California," with the hope that prices may be stabilized.

It is proposed to publish full details of the plan of marketing, with a list of the elevators ready to render service, in the farm papers and to broadcast the information by radio.

MINNESOTA GROWERS ADVISED REGARDING STATUS OF POTATO EXCHANGE

The public examiner's official report on last year's operations of the Minnesota Potato Growers' Exchange, St. Paul, has been published in a special issue of the Potato Grower bearing date of November 5, 1925. This report, consisting of a balance sheet as of August 31, 1925, twenty-four schedules and suitable comment, was considered by the governing board of the exchange and a recently appointed reorganization committee, at a special meeting held October 30. At that time a resolution was adopted directing the accounting department of the exchange to proceed at once to settle with growers on the basis of the report of the public examiner of the state of Minnesota. It is estimated that six weeks will be required to determine the amounts due the different growers, prepare statements and write the checks.

The public examiner found that a total of 372,470,773 pounds of potatoes were handled during the 1924-25 season. This quantity is equivalent to more than 10,000 car loads of 600 bushels each. The quantities of potatoes shipped from the three districts into which the producing area was divided were as follows:

District	:	Pounds	:	Carloads of
	:		:	600 bushels each
Eastern	:	153,307,447	:	4,258
Central	:	42,806,099	:	1,189
Western	:	176,357,227	:	4,899
Total	:	372,470,773	:	10,346

The cost of marketing varied for the three districts. In the eastern part of the state the cost per 100 pounds was 30.02 cents; in the central part of the state, 33 cents; and in the western part, 42.76 cents. The items making up the totals were as follows:

	:	Eastern	:	Central	:	Western
	:	District	:	District	:	District
	:	(Cents per cwt.)	:	(Cents per cwt.)	:	(Cents per cwt.)
District expense	:	23.88	:	27.13	:	31.06
Investment	:	.95	:	.68	:	6.51
Exchange expense	:	5.19	:	5.19	:	5.19
Total	:	30.02	:	33.00	:	42.76

The district expense in each case is the expense incurred in receiving, grading, storing, loading and shipping in the different districts. In each district the total expense was made up of a large number of items grouped under the following four divisions: maintenance, direct; supervision expense; operating, direct; and farm storage and handling. The largest item in each district under maintenance was rent and the largest items under supervision were for labor. Bags and twine were the big items under operating expense.

The deduction for investment was for the purpose of providing capital for the use of the exchange, particularly in connection with the program of buying on contract 46 warehouses. An exchange expense of 5.19 cents was deducted for each one hundred weight of potatoes handled. This figure represents the cost of the operation of the central exchange office in St. Paul and general overhead expense. Among the items making up the total were warehouse expense, \$41,057; seed department expense, \$6,698; publicity and statistical expense, \$7,775; official organ (net), \$6,023; field service (net), \$1,302; administration expense, \$107,013; interest and discount, \$21,009; miscellaneous, \$448; North Dakota campaign, \$162. The total of these expenses, less \$933 in credits, was \$190,556. In most of the above items, the largest amounts were for salaries.

A list of the larger salaries is included in the statement of the public examiner. These are, general manager, \$10,000; director warehouse department, \$8,000; director seed department, \$4,000; director of publicity, \$3,600; secretary, \$3,000; treasurer, \$3,000; assistant director of warehouses, \$3,000; superintendents of districts, \$2,400; assistant superintendents, \$1,800.

Among the schedules included in the report is one dealing with organization expense. This totals \$83,009, with credits from membership fees and miscellaneous sources of \$46,343, leaving the net expense of organizing the exchange, \$36,551. But one-fifth of this amount is charged against the first year of operation.

The audit of the public examiner revealed the fact that while the growers in the eastern district still had due them, \$178,715, many of the growers in the central and western districts had been overpaid. The total of overpayments in the western district was in excess of \$69,000. The public examiner in commenting upon this overpayment said, "The same is more than covered by the equity in the western district warehouses, which has been charged back to these growers. The equity is in the ratio of over one and one-half to one of the overpayments. The examiners have advised setting up these overpayments as accounts receivable and withholding the equity to the growers concerned."

The balance sheet gives the financial status as of August 31. It shows assets of \$433,496, including \$111,203 cash on hand and in banks. Inventories consisting of merchandise and bags amounted to \$15,000. Office fixtures and equipment were valued at over \$13,000 and the warehouses were given a valuation of \$262,062. The liabilities against the warehouse properties were \$253,888. There was due growers in connection with the marketing operations, \$109,264, and their equity in the exchange as represented by capital was \$64,002. This was the net worth of the exchange on August 31.

Regarding the future of the exchange, the public examiner said, "The trustees determined at a meeting held during the progress of this audit to suspend operations this year and renew them next year, possibly after a reorganization of the company the exchange belongs to its members and if the bulk of the members feel that after a reorganization, the concern can profit by its mistakes and renew operations to the advantage of the members, that is their right, and the state should not interfere unless the further operations of the company may prove hazardous to the public interests."

PRUNE AND APRICOT MANAGEMENT GIVING OUT FACTS

The present policy of the management of the California Prune and Apricot Growers' Association, San Jose, Calif., is set forth in the following paragraph from the editorial page of the October issue of the *Sunsweet Standard*.

Facts! plain facts, without embellishment or apology. That's what the management of the California Prune and Apricot Growers' Association wants to give the grower members through the *Sunsweet Standard*. That's the sole purpose of publishing this little magazine, in their opinion - the sole justification for its existence.

As evidence that the management of the association is in earnest there is given in the October issue of the publication a detailed statement by the general manager of the "present position," a consolidated balance sheet of the association and warehousing company; a detailed statement of the final settlement for the 1925 prune crop, and descriptive information regarding the association's real property.

The statement regarding "present position," prepared as of October 17, states that the quantity of prunes received was 14 million pounds less than on the same date the previous season. Prune sales to October 17, amounted to 97,547,340 pounds compared with 37,205,716 pounds for the preceding year. Apricot sales were 6,286,037 pounds compared with 6,190,000 pounds the same date in 1924. Total advances to growers for the two seasons are given as \$3,046,474 for 1925 and \$2,123,409 for 1924.

The consolidated balance sheet of the California Prune and Apricot Growers' Association and the Growers' Packing and Warehousing Association, Inc., is of June 30, 1925. It shows total assets of \$4,301,173. Land, buildings and equipment, less depreciation, are placed at \$1,411,017. Advances to members on that date amounted to more than \$1,970,453.

Among the liabilities are advance funds due for return to growers, \$296,112; reserves for contingencies, losses, etc., \$140,860; association's 3% allowance on crops of 1923, 1924 and 1925, \$336,259; and capital accounts, \$1,952,235. The latter item included over a million dollars of "advance funds" (withheld) and outstanding preferred stock amounting to \$355,800. The accuracy of the balance sheet is attested to by a nationally known firm of public accountants.

The statement of final settlement of the 1923 prune crop shows that total sales amounted to \$9,665,255 and that after adjustments had been made for allowances, discounts, prepaid freight, insurance, etc., the net f.o.b. returns from the sale of the fruit amounted to \$7,487,787. Net expenses were \$1,789,175, or 23.89 per cent of the f.o.b. value. In addition, there was deducted \$389,751 to cover amounts needed for retirement of advance fund certificates, retirement of preferred stock of packing and warehousing association, educational work, etc. The net amount paid to growers was \$5,308,860, or 70.9 per cent of the f.o.b. value. Among the items of expense were, receiving charges, \$489,062, 6.53 per cent of f.o.b. value; carrying charges, \$324,733, 4.33 per cent; selling charges, \$727,613, 9.72 per cent; and general overhead, \$248,111, 3.31 per cent.

OHIO SALES AGENCY INCREASES PROFITS

The West Union Station of the Southwestern Ohio Cooperative Sales Association, Georgetown, Ohio, reports substantial gains for the past year. For example the month of August this year showed an increase of 55 per cent in the amount of butterfat handled over that of last year. As a result, the expense for the month was considerably less per pound than last year, being 4.3 cents for August of 1924 and 3.7 for August of 1925.

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CONNECTICUT MILK PRODUCERS WILL HOLD DISTRICT MEETINGS

Twenty-odd district meetings have been planned by the management of the Connecticut Milk Producers' Association, Hartford, for the early part of the winter. These meetings will be held as near as possible to the center of each director's district and will be for the purpose of nominating a member from each district for the position of director for 1926. In addition to the official business to be transacted at these meetings there will be one or more addresses dealing with problems of vital interest to the milk producer.

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MICHIGAN MILK SOLD ON TWO CENT CHARGE

On a charge of two cents per hundredweight of milk, the Michigan Milk Producers' Association, Detroit, Mich., sells all the milk from 12,000 farms in six markets, guarantees collections and pays expenses, according to the annual report of the secretary. The ninth annual meeting of the association was held October 20 at the Michigan State College and was attended by 230 voting delegates representing 120 local units, as well as by many members and farmer friends. Milk sold by the association amounts to \$18,000,000 annually and supplies the daily needs of Detroit, Grand Rapids, Ann Arbor, Saginaw, and Flint, with a big business in Mason.

From this charge of two cents per hundred the association pays all the marketing cost and for all organization upkeep. It has also saved a surplus which enables it to guarantee the producers their money. Within the past few weeks it has paid \$11,800 to farmers delivering to three distributors who went out of business owing the farmers. The association paid the farmers and immediately found another outlet for their milk, and reimbursed itself out of the assets of the defunct distributors. A reserve has also been built up out of the two-cent deduction and the net worth of the organization was given on October 20 as \$122,124, mostly in cash and securities.

While the entire business is being carried on the two-cent charge, it was stated that at a summer meeting action was taken by which another cent will be deducted for carrying on educational work directed toward increasing the demand for dairy products.

ONTARIO COOPERATIVE HANDLES CHEESE

Two-thirds of Canada's cheese is produced in the Province of Ontario, and one of the largest cheese-selling organizations in the province is the United Dairymen Cooperative, Limited, of Peterboro. Sales for the first nine months of this year reached a total of 126,755 boxes with a value of \$2,435,475, as compared with 109,951 boxes valued at \$1,549,560, during the corresponding period of 1924. This was an increase of 15 per cent in volume, while the previous season had shown an increase of 47 per cent over the 1923 season, or an increase of over 60 per cent in two years. This is the fifth year the association has been operating. The main office is at Peterboro with branch offices at Montreal and Belleville.

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"NEMPA" SUPPORTS DIRECTORS AND SALES COMMITTEE

At the annual meeting of the New England Milk Producers' Association, Boston, Mass., held recently, the outstanding feature of the occasion was the decision to support the sales committee in its handling of the marketing problems.

Recommendations made by the sales committee and the board of directors regarding the cream plan and ratings on grade B milk were approved by the meeting after considerable discussion. However, it was decided that the change should not take place until there had been sufficient time for the producers to readjust their marketing programs.

Another important decision was to approve the plan for additional field work with the entire territory divided into districts and a field man stationed in each district to maintain membership morale and give individual service. As a means for carrying out this plan it was decided to increase the dues from one-half of one per cent, which amounts to about 1-1/2 cents per hundred, to 2 cents per hundredweight. The operation of this increase was postponed for one year to give time to work out the details of the plan and profit by the experience of other organizations.

A net gain of 165 members was reported for the year ending September 30, bringing the total membership on that date to 20,657. A step toward more democratic control was taken by a vote to lower the minimum requirement for local units in order to have direct representation by their presidents. Under the present plan a unit with 50 or more members is represented in the central association by its president and smaller units are grouped for representation. It was decided that any local unit having 35 members in good standing should be represented by its president, and a unit with more than 100 members should be entitled to a second delegate. This action also was postponed for one year.

The officers were re-elected, also the directors with the exception of one who retired after long and faithful service.

NEWS BY RADIO FOR NORTH DAKOTA WHEAT GROWERS

Officers of the North Dakota Wheat Growers' Association, Grand Forks, N. Dak., are broadcasting regularly the news of the association to the membership of the organization from station NDWGA.

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NEBRASKA EQUITY NEARLY DOUBLES BUSINESS

Total sales of the Holdredge Equity Exchange, Holdredge, Nebr., for the year ending May 30, 1925, amount to \$379,432. This is a substantial increase as compared with sales for the preceding season which were \$252,232 and for 1922-23 which were \$198,522. Net profits for the year were \$3,776 and the total income, \$12,117.

This association was organized in 1916 and owns a well equipped concrete elevator which is conveniently located for farmers from every direction and also for business in the city.

Among the commodities handled by this exchange are: corn, wheat, barley, oats, coal and butterfat. A small amount of merchandise is also handled.

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FARMERS' COMPANY IN IOWA IN TWENTY-FIRST YEAR

For twenty years the Keystone Mercantile Company, Keystone, Iowa, has been operating as a farmers' business enterprise. During that time it has made sales totaling over three and one-half million dollars. It handles grain, lumber, lime, cement, brick, feed, salt and coal. At the close of the twentieth year assets amounted to \$45,176, including buildings valued at \$7,000. The company is capitalized at \$40,000. Sales by years are as follows:

Year :	Sales :	Index ::	Year :	Sales :	Index
:	:	Number ::	:	:	Number,
:	:	::	:	:	:
1905 :	\$ 87,585 :	53 ::	1915 :	\$164,293 :	100
1906 :	160,680 :	97 ::	1916 :	187,883 :	114
1907 :	165,437 :	100 ::	1917 :	210,521 :	133
1908 :	135,021 :	82 ::	1918 :	279,346 :	169
1909 :	134,373 :	82 ::	1919 :	377,619 :	229
1910 :	132,976 :	81 ::	1920 :	229,015 :	139
1911 :	163,126 :	99 ::	1921 :	114,315 :	69
1912 :	192,343 :	117 ::	1922 :	172,875 :	105
1913 :	164,928 :	100 ::	1923 :	208,783 :	127
1914 :	165,798 :	100 ::	1924 :	102,790 :	62

RED TOP SEED SOLD COOPERATIVELY

From 85 to 90 per cent of the red top seed of the world is grown in eight Illinois counties, according to a statement of the manager of the Egyptian Seed Growers' Exchange, Flora, Ill. About 7,000,000 pounds of clean seed is produced annually in these eight counties and about 25 per cent of this is sold cooperatively by the 800 farmers making up the membership of the Egyptian Seed Growers' Exchange. Last year the sales of the exchange amounted to \$182,000. By pooling sales and systematic delivery on the market, the growers expect to obtain the best possible returns for their 1925 crop.

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MINNESOTA WHEAT ASSOCIATION COLLECTING FROM DELINQUENT MEMBERS

It is reported by the Minnesota Wheat Growers' Cooperative Marketing Association that a check for \$650 has been received to cover liquidated damages and attorney fees in a case where a grower failed to deliver all his wheat after having contracted to do so. The management of the association in discussing the instance pointed out that a special law has been enacted to cover cooperative marketing and that contracts made under that law are as sacred as contracts made under the banking law or any other law. District representatives of the association are calling upon farmers who failed to deliver all their wheat to the association and settlements are being made. One representative has turned in \$3,500 collected in making settlements, and another has collected \$2,400.

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SASKATCHEWAN WHEAT ASSOCIATION MEETING LASTS THREE DAYS

Considerable interest is injected into the Canadian cooperatives at the annual meetings. On these occasions the boards of directors and the officers are compelled to defend the policies followed during the preceding twelve months and to convince those attending the meetings that the program outlined for the succeeding twelve months promises all that could reasonably be expected. These annual meetings are not mere formal proceedings lasting but a few hours. Some of them continue more than a day. The first annual meeting of the Saskatchewan Wheat Producers, Ltd., recently held at Regina, lasted for three days. It was a delegates meeting, the delegates representing the 69,000 members of the association. Among the decisions reached was one to amend the articles of association so as to make only delegates to the annual meeting eligible for the position of director. A resolution was adopted favoring the amalgamation of the two farmers' organizations in Saskatchewan.

Considerable time was given to discussing ways and means for bringing about a consolidation of all farmer-owned grain marketing facilities in the province.

TENNESSEE COTTON SOLD DIRECT TO SPANISH SPINNERS

Thirteen thousand bales of cotton had been received by the Tennessee Cotton Growers' Association up to the last week in October. This is only 5,000 bales less than the total deliveries for last season.

Sales of several hundred bales to buyers at Barcelona, Spain, mark the first instance of cotton from this association being sold direct to European spinners.

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GOOD SEED AND FINANCIAL AID FOR TEXAS COTTON GROWERS

At a recent meeting of the Texas Farm Bureau Cotton Association, Dallas, Tex., arrangements were made for the association to buy 72,000 bushels of certified seed of several varieties. This seed will be sold to the members at cost, and where necessary, the member's note will be taken to cover cost at a low rate of interest until paid. Details as to financing and distributing are being worked out.

The plan of the association is to distribute the certified seed to the members in order to encourage them to plant better seed, and to grow the standard variety best adapted to each community.

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MARKETING LONG STAPLE DELTA COTTON

In an effort to keep the membership fully informed the management of the Staple Cotton Cooperative Association, Greenwood, Miss., publishes a monthly statement showing the progress being made in the marketing of the present crop as compared with preceding years. The report to October 1 shows that up to that date 67,877 bales of cotton had been received and 44,435 bales of pool cotton had been sold. Sales were, therefore, 65.5 per cent of receipts. Total receipts of Delta cotton by all agencies were 295,420 bales to October 1. The association's percentage of the total was 23 per cent.

The table below gives significant figures in connection with the marketing of Delta cotton for the past four seasons to October 1:

Year	/a	Per cent of	Bales handled by association		Per cent	Cash
		Delta receipts	Received	Sold		distributions
		handled by				to association
		association				members /a
1922	:	23.6	50,455	5,910	11.7	\$1,105,599
1923	:	13.6	15,048	14,002	93.0	1,225,340
1924	:	22.6	40,896	13,275	44.7	3,268,735
1925	:	23.0	67,877	b/ 44,435	65.5	3,911,161
Total	:	22.8	174,276	82,622	47.4	9,511,035

/a To October 1.

/b Pool sales only.

DELIVERIES AND SALES IN VIRGINIA-CAROLINAS TOBACCO REGION

More tobacco is being delivered in the Tobacco Growers' Cooperative Association, Raleigh, N. C., than last year, according to a statement made at a recent meeting of the board of directors. The increase to October 19 amounted to 4,500,000 pounds.

During its first three years of activity the association received 447,000,000 pounds of tobacco, of which all but 62,000,000 pounds has been marketed. The association still holds for sale 38,000,000 pounds of bright tobacco and 24,000,000 pounds of dark tobacco.

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MARYLAND TOBACCO MARKETED AT LOW COST

It is the policy of the Maryland Tobacco Growers' Association, Baltimore, to encourage its members to buy the greater part of their supplies from their local country merchants. The association maintains a purchasing department to handle a few commodities that are needed by the tobacco growers in large quantity. Among these are seeds, fertilizers, lime, roofing, etc. Cooperative purchases through the association in 1924 amounted to \$177,811.

Special efforts have been made by the association management during 1925 to increase the percentage of Maryland tobacco marketed through the association. In 1921 the association reports handling 34 per cent of the Southern Maryland crop, the next year, 36 per cent, and the third year, 53 per cent and in 1924, 61 per cent.

During the year 1924 the association marketed 19,760 hogsheads of tobacco for its members. Total sales amounted to \$4,150,694 and advances to members were \$1,234,532. A deduction of \$2.50 a hogshead is made for the expenses of marketing. This amounts to about one per cent of the total sales.

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BURLEY ASSOCIATION DEFINES POSITION

In order to dispose of the various rumors regarding the future program of the Burley Tobacco Growers' Cooperative Association, Lexington, Ky., the board of directors at its November meeting adopted resolutions which clearly set forth the present policy.

It was pointed out that "never have the affairs of the association been in better shape; that less tobacco is on hand than a year ago, that the financial obligations are less than at this time last year, that the association's credit is the best that it has ever been, and that money is being borrowed at a lower-interest rate than ever before.

"There is no thought of releasing any member from his contract. On the contrary, every right accruing to the membership by reason of these agreements, signed each with the other, will be rigorously enforced."

The association's warehouses will be opened in Lexington on December 1, and at other points during the succeeding days. The tobacco received, "along with that remaining on hand out of former crops, will be sold when and as the demand develops for it, and at the highest obtainable price."

OHIO FARMERS BUY TWO TRAIN LOADS OF FERTILIZER

Farmers of Pickaway County, Ohio, bought cooperatively two train loads of fertilizer this fall. One train consisted of 37 cars the other of 40. In order that they might celebrate the occasion, the Pickaway County farmers arranged that the two trains should arrive at the chief distributing point in the county at about the same time. The trains were then broken up, the cars being sent to various unloading points. It is reported that the fertilizer in the two trains had a value of nearly \$50,000 and that the savings because of large-scale buying amounted to about \$5,000. It is further reported that within a week an order had gone forward for five additional cars of fertilizer.

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INDIANA FARM BUREAU BUYS OIL FOR MEMBERS

The Indiana Farm Bureau Federation, through its purchasing department, has contracted with a large oil company for the delivery of oils and greases to members of the farm bureau in any quantity and at any time. By this blanket contract, members will be able to secure oils at prices that will compare favorably with those paid by the largest dealers.

The regular tank wagon price is to be paid to the tank driver on delivery of the oil. The purchaser will receive a ticket bearing the words, "Farm Bureau Contract." This ticket he is instructed to keep carefully. The difference between the tank wagon price and the quantity contract price will be prorated back to the members once in six months.

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OHIO FARMERS OWN AND OPERATE A CITY MARKET

A city market has been established at Akron, Ohio, by an association of farmers doing business under the name of Summit Growers' Market Company, according to a report in a recent issue of the Ohio Farm Bureau Federation News. The company was organized about three years ago by truck growers located near Akron, a site was selected and a market established. Shares of stock were sold to growers on the installment plan. The present capitalization is \$91,000, all subscribed. At the present time the market consists of two sheds with accommodations for about 400 growers and a two-story brick building containing offices, storage space and a restaurant. The market is open for business Tuesday, Thursday and Saturday mornings. It serves both dealers and consumers. Growers from parts of five counties sell upon the market. However, an effort is being made to reserve the market for growers living within a radius of 20 miles of Akron. It is estimated that 20,000 people buy at the market during a season.

NEW YORK FARMERS HAVE DEVELOPED A BUYING AGENCY

The November, 1925, issue of the G. L. F. Shareholder, the official organ of the Cooperative Grange-League Federation Exchange, Ithaca, N. Y., is devoted to a comprehensive description of the activities of this farmers' business enterprise. The "G. L. F." as it is usually called, organized in 1920, superseded the New York State Grange Exchange. It was incorporated with authorized capital stock of \$1,000,000. About \$775,000 of capital stock has been issued to the present time. Shares are \$5 each with dividends limited to 6 per cent annually. Stock is non-assessable. Each shareholder is limited to one vote; voting by proxy is permitted. All earnings above those required for share dividends and for reasonable reserve are refunded to patrons as patronage dividends.

Control of the exchange is vested in a board of nine directors, elected for periods of three years. It is reported that while all of the directors have agricultural interests, seven of the nine live on and operate their own farms.

It is the purpose of the organization to render high-grade service to its shareholders at minimum cost. Departments are conducted for purchasing grain and feed, fertilizer and "known-origin" seeds. A mail-order department is operated through which shareholders can obtain automobile accessories, motor oil, paint, roofing, cement, milk handling utensils, binder twine, hay and coal. Four cooperative stores or distributing stations have been established in rural communities for the purpose of assembling orders and distributing supplies.

Recently the exchange has promoted an agricultural credit corporation, that its shareholders might obtain production credit under favorable conditions.

The exchange is directly interested in feed mills located at Peoria, Ill., and Buffalo, N. Y.; it owns a block of stock in a fertilizer plant located at Baltimore, and controls through a subsidiary a large seed warehouse in Syracuse, and cooperative stores or distributing stations at several country points. The exchange operates in 88 counties in New York, Northern Pennsylvania and New Jersey with ten men employed for field work.

It is stated that "the first objective of G. L. F. service, that of making available the kinds and qualities of feed, seeds and fertilizers that are recommended by the College of Agriculture, is already accomplished," and that the problem ahead is that of making "substantial savings on the cost of those supplies."

It is the ambition of the management to secure enough business to keep the feed mill operating at the rate of 10 bags a minute, 600 bags an hour, 6,000 bags for a ten hour shift, and two shifts a day, during the winter and spring and one shift a day during the summer. Feeds are mixed according to formulas worked out by the College Feed Conference Board representing the agricultural colleges of New York, New Jersey, Pennsylvania, Ohio and Michigan.

The fertilizer service is being built on the basis of a contract whereby exchange shareholders get fertilizers of known quality at cost of mixing plus a stipulated profit.

(See Agricultural Cooperation for Dec. 3, 1923, p. 6; Feb. 25, 1924; p. 61; Dec. 1, 1924, p. 403; Sept. 23, 1925, p. 413.)

"TEN LESSONS IN MARKETING" FOR YOUNG PEOPLE

A series of leaflets entitled "Ten Lessons in Marketing" for boys' and girls' clubs, has recently been issued by the Extension Service of the Oregon Agricultural College. The last two of the series deal with cooperation. Lesson IX is entitled "Methods of Business Organization: The Cooperative Association," and Lesson X is "Cooperative Marketing: Its Difficulties and Advantages."

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PRACTICAL EDUCATION PROPOSED IN PENNSYLVANIA

A recent statement from the Pennsylvania Department of Agriculture is to the effect that "for the first time many of the vocational schools of the state will include courses in farm management, marketing and cooperation this year." It is stated that "the work will be an endeavor to outline principles rather than give details" and it is pointed out that much can be done by the local cooperatives to make the courses interesting. It is suggested that classes visit the plants of near-by associations and that the managers of these business enterprises give talks to the students as well as showing them just how the various marketing functions are performed.

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COOPERATION'S POSSIBILITIES AND LIMITATIONS

"Possibilities and Limitations of Cooperative Marketing," by H. E. Erdman, is the title of Circular No. 298, issued by the University of California, College of Agriculture. Ten outstanding possibilities are listed and outlined, all of which the writer believes may be attained if sought by men of ability and clear vision, but all of which depend upon good management. The list is as follows:

1. Standardizing and improving production.
2. Standardizing and improving grade and pack.
3. Stabilizing production.
4. Controlling flow to market.
5. Improving distribution between markets.
6. Advertising and the development of new markets.
7. Collective bargaining.
8. Financing of marketing operations.
9. Making marketing more efficient.
10. Maintaining favorable public relations.

Three limitations are set out particularly because they are so often listed as possibilities of cooperation. They are: (1) Cooperative associations can not arbitrarily "fix" prices although they can and do exercise a favorable influence on prices. (2) Cooperative organizations can not "eliminate the middleman" except in the sense of combining the functions performed by a number of dealers at any given stage in the marketing process (3) Cooperative marketing can not cut costs greatly

COOPERATION IN FINLAND TWENTY-FIVE YEARS OLD

The growth of cooperation in Finland is indicated by figures compiled in connection with the celebration of the 25th anniversary of the founding of the first cooperative society, "Pellervo," on September 4, 1900. It is stated in the October issue of the International Cooperative Bulletin that there were in Finland, 4,267 registered cooperative associations with a total membership of 370,937 at the close of 1924.

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CONSUMER COOPERATION IN CANADA

Statistics for 14 cooperative consumer associations in Canada for the year 1924 are published in the October issue of the Canadian Cooperator. The 14 associations had a total membership of 7,047. Total sales for the year amounted to \$2,675,851. Patronage refunds for the year were reported as \$183,905. Share capital at the close of the year amounted to \$336,439 and loan capital to \$180,469. The reserve funds amounted to nearly \$95,000.

Five of the reporting associations are located in Ontario, 4 in Saskatchewan, 2 each in Alberta and Nova Scotia, and one in British Columbia.

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SMALL-SCALE COOPERATION IN SASKATCHEWAN

The Division of Agricultural Cooperation of the U. S. Department of Agriculture has come into the possession of a file of the annual reports of the Rozilee Cooperative Association, Shellbrook, Saskatchewan, Canada. This association, engaged in shipping livestock and buying farm supplies, had a humble beginning but its members have kept cooperating until now they feel that they are firmly established. The association was incorporated in 1914. Shares of stock were placed at \$5 and an initial payment of \$1 was required. Some years later the par value of shares was increased to \$50. The total share capital at the end of the first year was \$357.

The trading business for the first ten years amounted to \$550,000 and returns from livestock shipments to \$386,000. Total net profits for the ten years closing with 1924 amount to over \$7,600. Share dividends for the period were \$1,503 and patronage dividends, \$4,838. Share capital outstanding at the end of the tenth year was \$8,794 which about represented the value of the land, buildings and fixtures.

The association handles binder twine, flour, feed, lumber, shingles and farm implements. When it started it had but an old warehouse as a place of business. In 1918 a store building was erected and in 1920 this was enlarged. It is estimated by the officers that the share and patronage dividends paid during the life of the association amount to about 73 cents on each dollar invested in share capital.

AUDITS BY ACCOUNTANTS AND BY MEMBERS

Among the farmers' marketing associations that are endeavoring to keep their membership fully informed regarding association financial matters is the Dairymen's League Cooperative Association, New York City. In addition to giving wide publicity to the annual audits by certified accountants and to monthly statements by the management, the results of quarterly audits by a members' auditing committee are given out to the membership and to the general public.

The benefits of these two types of audits are likely to be very different. The examination by reputable public accountants not only uncovers any fraud, but goes into the broader phases of the business and frequently is especially helpful by pointing out where improvements can be made. In theory, the committee audit is for the purpose of ascertaining that all cash has been properly accounted for, and that the business had been honestly and capably conducted. As a matter of fact, it is only rarely that embezzlement of actual cash has occurred, and the detection of fraud through other means is such a highly technical matter that only the experienced public accountant can discover it. It is questionable, therefore, if the membership committee audit is of real value in discovering dishonesty. On the other hand, its educational value to the members of the committee is almost infinite. In no other way could they gain the intimate knowledge of the business that comes from such work. In turn, these well informed committeemen serve as a means whereby other members learn a great deal more about the actual conduct of their organization. The practice of audits by membership committees should be encouraged, but they should not attempt to supplant the audits by reputable public accountants.

The membership audit of the Dairymen's League for the first three months of the current business year was published on October 30 in Dairymen's League News, which goes to many non-members as well as members.

The audit covers the three months ending with June 30, 1925. It shows the total sales of milk and milk products to have been over \$18,700,000. After the deduction of returns, allowances, freight, the net sales were about \$17,900,000. In this, as in most other businesses, there is nearly always some of the finished product on hand and unsold and this must be taken into consideration in determining the amount due members. Some, if not all, of this inventory at the beginning of the period has been sold, and is now included in the sales figures. Hence the beginning inventory must be subtracted from sales. That on hand at the end is yet to be sold and must be added to the value of sales. A short-cut method is to find the difference between the beginning and ending inventories, and adjust the sales figure by this difference. In this case the committee added slightly over \$150,000 for increase in inventory value.

If the value of the ending inventory, which is part of the product resulting from members delivery during the period, was not added to sales, members would not be paid for all their deliveries, inasmuch as sales are always the basis of payments; if the value of the beginning inventory was not subtracted from sales, members delivering during the current period would be overpaid, inasmuch as sales figures for the period would include sales of product delivered during a preceding period.

A. V. Swarthout

WASHINGTON SUPREME COURT REIDERS OPINION

On June 3, 1925, the Supreme Court of Washington decided the case of the Valley Fruit Company v. Swash, 236 Pac. 275. It appears that Mr. Swash entered into a contract with the Walla Walla Valley Prune Growers Cooperative Association under which this association was to market fruit grown by him during the season of 1923, the agreement contemplating that the marketing would occur during the fall of that year. The Valley Fruit Company was engaged in packing fruit for the association and packed the fruit grown by Mr. Swash in 1923, and then delivered it to the association for marketing, as contemplated by the agreement between Mr. Swash and the association.

Prior to this time, on August 30, 1923, the Valley Fruit Company "advanced" \$750 to Mr. Swash - as the transaction was termed in their negotiations. The fruit company and Mr. Swash entered into an agreement with respect to this matter, to which the Walla Walla Valley Prune Growers' Cooperative Association was not a party, to the effect that the proceeds of any sales of fruit made by that association should be paid by it to the fruit company and that thereupon the fruit company would apply the money so received towards the repayment of the advance made by it to Mr. Swash and would pay to him the surplus, if any. Owing to the fact that the Valley Fruit Company had not received the \$750 in question at the end of the fruit marketing season in the fall of 1923 it brought suit against Mr. Swash for the recovery of this amount with interest, claiming that it had loaned this amount to him. The fruit company recovered in the lower court, and Mr. Swash appealed to Supreme Court of the State.

It appears that the Valley Fruit Company never received any money from the association as the result of sales made by the association for Mr. Swash. In fact, the record in the case did not show that the association had ever sold any fruit for Mr. Swash, nor did it disclose what became of his fruit. On appeal the principal contention made by Mr. Swash was that the fruit company was not entitled to recovery because, he claimed, it was required to look, at least primarily, to returns from the sales of fruit made by the association for him, and in this connection he claimed that it was not shown that there ever would be any returns. The attorney for Mr. Swash invoked the doctrine that consigned goods are the primary fund to which a factor must look for reimbursement. With respect to this matter the court said:

Whatever limitations there may be of this nature upon the right of a factor to look to the personal obligation of his consignee for advances, we think such limitations have no application to the present controversy.

In affirming the judgment of the lower court, the court among other things said:

We have seen that the fruit was in no sense consigned by Swash to the fruit company for sale, and that the fruit company had no power of collecting or acquiring the proceeds of the contemplated sale of the fruit. This, as we view it, is simply a case where there came into existence a present debt, a loan though called an advance, made by the fruit company to Swash, payable at all events by Swash at the expiration of the fruit marketing season of 1923, which ended some time before the commencement of this action. The time of payment not being definitely fixed, it became payable upon the expiration of a reasonable time.

It is obvious from what has been said above that the court held that the Valley Fruit Company was not required to look primarily to returns received by the association for fruit sold by it for Mr. Swash, but that the obligation was a personal one.

L. S. Hulbert

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INDIANA COURT AUTHORIZES RECEIVER TO ENFORCE MARKETING CONTRACT

Some time ago the Dairy Marketing Association of Fort Wayne was placed in the hands of a receiver by the Superior Court of Allen County, Ind., due to financial difficulties which the association encountered on account of the failure of the Fort Wayne Dairy Company.

Recently the receiver for the association obtained an order from the court directing the receiver to institute suit against any member of the association who should violate his contract by failing to deliver milk to him. The receiver was further authorized to apply for an injunction against any such member, and he was empowered to enter suit against any person who should knowingly induce, or attempt to induce, violations of the contracts entered into by the members of the association with it.

The receiver was also authorized by the court to take proper legal action against persons who might spread false reports concerning the association; and he was further authorized to file suit for the recovery of the penalty provided for by the cooperative marketing act of Indiana against persons who should knowingly solicit, or persuade, or permit any member of the association to breach his contract.

It is believed that this is the first instance in which a receiver for a cooperative association has been specifically authorized by the court appointing him to take steps of the character described above.

L. S. Hulbert.

NEW WEEKLY PAPER FOR CALIFORNIA WOOL GROWERS

Volume I, No. 1, of the California Wool Grower appeared on November 4, 1925, as the official organ of the California Wool Growers' Association, San Francisco. The new paper is a four-page weekly devoted largely to market information. The first number contains the program of the 18th annual convention of the association which was held in San Francisco on November 6 and 7.

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OHIO LIVESTOCK SHIPPING ASSOCIATION SELLING DIRECT TO PACKERS

Fifty-nine per cent of the livestock being shipped by the Fayette Producers' Company, Washington Court House, Ohio, is being sent direct to the packers. The shipments for the first ten months of 1925 totaled 854 decks as against 640 for the same period in 1924. Total shipments for the entire 12 months of 1924 were 936 decks. During October, 1925, 164 decks of livestock were forwarded for sale. This figure broke all previous records. The livestock weighed 2,240,050 pounds and sold for over \$250,000. Total sales for the year 1925 will crowd the \$2,000,000 mark.

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VIRGINIA ASSOCIATION IS RECEIVING PEANUTS

As the campaign conducted by the Peanut Growers' Association, Norfolk, Va., resulted in a sign-up of 106,248 bags of the 1925 crop, the association will continue its work and peanuts will be received until the directors decide to close the pool. By a resolution adopted by the board of directors on October 20 it was decided to receive all peanuts offered by peanut growers provided a pledge is signed at or before the time of shipment. The 1,213 signers who have pledged a portion of their crop are at liberty to deliver as much more of their crop than the amount pledged as they wish. Other members of the association who refused to sign the 1925 crop pledge can still deliver to the association provided they sign the one-year pledge indicating the amount they want to market through the organization. This will put them on the same basis as the other members.

First advances will range from four cents for No. 1 Jumbos to one cent for damaged peanuts. A new plan of payment has been authorized by means of which each member will be paid by a draft drawn on the association and signed by the receiver just as soon as his stock is received, graded, weighed and a bill of lading received from the transportation company. It is believed this plan of prompt payment will be far more satisfactory to the members than the old plan.

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